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BEFORE THE ARIZONA CORPORATION COMMISSION

MIKE GLEASON
Chairman
WILLIAM A. MUNDELL
Commissioner
JEFF HATCH-MILLER
Commissioner
KRISTIN K. MAYES
Commissioner
GARY PIERCE
Commissioner

Arizona Corporation Commission

DOCKETED

SEP 30 2008

DOCKETED BY

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IN THE MATTER OF SOUTHWEST GAS
CORPORATION-TARIFF FILING TO
UPDATE RULE NO. 6, SERVICE AND
MAIN EXTENSIONS, TO ADDRESS THE
REQUIREMENT FOR EXCESS FLOW
VALVES

DOCKET NO. G-01551A-08-0307

DECISION NO. 70525ORDER

Open Meeting
September 23 and 24, 2008
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. Southwest Gas Corporation ("SWG" or "Southwest") is certificated to provide gas service as a public service corporation in the State of Arizona.

On June 17, 2008, SWG docketed an updated tariff sheet No. 206 located in its Arizona Gas Tariff No. 7. On June 30, 2008 the applicant waived the 30-day time clock applicable to tariff filings.

2. The revision applies to Rule No. 6, Service and Main Extensions, Item No. 13, Excess Flow Valve Installation Option, which currently reads as follows:

"In accordance with Title 49, Section 192.383 of the Code of Federal Regulations, the installation of an excess flow valve, as defined in Rule No. 1, shall be performed by the Utility on a new or replaced single residence service line at the request of a customer. The installation of an excess flow valve is not mandatory; if a customer elects this installation, the Utility shall perform the installation subject to the customer assuming responsibility for all costs associated with installation, maintenance and replacement. Each

1 customer requesting the installation of an excess flow valve will be required
2 to execute a written agreement.”

3 3. The Pipeline Inspection, Protection, Enforcement and Safety Act of 2006 requires
4 all new and replaced single-family residential gas service lines put into service after June 1, 2008
5 to have an excess flow valve installed. Accordingly, SWG has proposed that the Excess Flow
6 Valve Installation provision in its tariff be revised as follows:

7 “In accordance with the Pipeline Inspection, Protection, Enforcement and
8 Safety Act of 2006 and Title 49, Section 192.383 of the Code of Federal
9 Regulations, the installation of an excess flow valve, as defined in Rule No. 1,
10 shall be performed by the Utility on new or replaced single residence service
11 lines. If any other customer requests the installation of an excess flow valve,
12 the Utility shall perform the installation subject to the feasibility of such
13 installation and the customer assuming responsibility for all costs associated
14 with installation.”

15 4. Although the Federal mandate is moot on who shall pay the costs associated with
16 installing excess flow valves, it should be noted that on November 27, 2007, the Commission
17 issued Decision No. 70011 requiring UNS Gas, Inc. to submit a revised Excess Flow Valve
18 Installation tariff, indicating that all new customers/developers shall pay the full cost of installation
19 and the payment shall be a contribution (p. 87 of the Decision). Effective December 1, 2007, UNS
20 Gas, Inc. implemented its revised tariff in compliance with the Commission’s decision.

21 **Staff’s Recommendations**

22 5. Staff has reviewed Southwest’s existing and proposed Excess Flow Valve
23 Installation tariff provisions, and has recommended approval of the Excess Flow Valve Installation
24 tariff as revised.

25 6. Staff has also recommended that Southwest implement the updated Excess Flow
26 Valve Installation tariff provision, as approved, no later than October 31, 2008. As a compliance
27 item in this matter, Southwest should docket a letter within 15 days of implementation stating that
28 the implementation is complete.

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7. In addition, Staff has recommended that as a compliance item in this matter, Southwest file an Excess Flow Valve Installation tariff page consistent with the terms of this Decision within 15 days from the effective date of the Decision.

CONCLUSIONS OF LAW

1. Southwest Gas Corporation is a public service company within the meaning of Article XV, Section 2, of the Arizona Constitution.

2. The Commission has jurisdiction over Southwest Gas Corporation and the subject matter of the application.

3. The Commission, having reviewed the revised tariff sheet and Staff's Memorandum dated September 10, 2008, concludes that it is in the public interest to approve Rule No. 6, Item No. 13, Excess Flow Valve Installation, as discussed herein.

ORDER

IT IS THEREFORE ORDERED that Southwest Gas Corporation's Rule No. 6, Item No. 13, Excess Flow Valve Installation, as updated and discussed herein, be and hereby is approved.

IT IS FURTHER ORDERED that Southwest Gas Corporation implement the updated Excess Flow Valve Installation tariff provision by October 31, 2008.

IT IS FURTHER ORDERED that Southwest Gas Corporation shall docket, as a compliance item in this matter, a letter within 15 days of implementation stating that the implementation is complete.

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1 IT IS FURTHER ORDERED that Southwest Gas Corporation shall docket, as a
2 compliance item in this matter, an updated Excess Flow Valve Installation tariff page consistent
3 with the terms of this Decision within 15 days from the effective date of the Decision.

4 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

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6 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

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CHAIRMAN


COMMISSIONER

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11 COMMISSIONER


COMMISSIONER


COMMISSIONER

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13 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive
14 Director of the Arizona Corporation Commission, have
15 hereunto, set my hand and caused the official seal of this
16 Commission to be affixed at the Capitol, in the City of
17 Phoenix, this 30th day of September, 2008.

18 
BRIAN C. McNEIL
EXECUTIVE DIRECTOR

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20 DISSENT: _____

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22 DISSENT: _____

23 EGJ:WHM:lhv\NS
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